

part, because it is based on projections that are very faulty. We will not realize a \$5.7 trillion surplus. I think we can predict that safely. We also recognize that, with the uncertainty of the budget and all of the economic conditions that we will face, to commit to a tax cut of more than \$4 trillion in its entirety over a 10-year period of time is not in keeping with the fiscal responsibility that we have all said we are so proud of—the fiscal responsibility that actually brought about surpluses over the course of the last 3 years.

So our first concern has been, and continues to be, that it is based on faulty projections. Our second concern is that it will crowd out all other priorities that we hold, in some cases, in both parties. We say we are for reducing the public debt. I believe that as a result of the passage of this legislation there will be no further reduction of public debt. We all have indicated a willingness to support prescription drug benefits. I predict that as a result of this we will be told we can't afford prescription drug benefits.

We all indicated that we advocate strongly protecting Medicare and Social Security. This bill will force us to tap into the Medicare fund, the Social Security fund, and deny the protection and the kind of viability in those trust funds that we have counted on these last several years. This bill will not allow us to provide the kind of resources for investment in education that we have all said is important to both parties and this country. So across the board, this legislation crowds out and, in some cases, eliminates our opportunity to address America's priorities in a balanced and meaningful way.

The third concern I have is one of fairness. We can do better than this. We ought to do better than this. When we provide a third of a \$4 trillion tax cut to the top 1 percent, a third to the next 19 percent, and a third to the bottom 80 percent, that doesn't say much about the balance and our sensitivity and empathy for working families all across this country.

There is only one group of taxpayers who will not receive any marginal rate reduction in this bill, and that is the 72 million taxpayers who will still pay the 15-percent rate. That is wrong. We ought to do better than that. We ought to be sending a clear message that we understand they deserve a tax rate cut like everybody else. But that is not what this bill says. So I am concerned about the fairness. I am concerned about the imbalance that this legislation represents.

Mr. President, for all of those reasons, I regret the fact that we passed this legislation today with the vote that we did. I suspect we will be back addressing budgetary and other implications for many years to come. I hope in the future we will remember our

promise, our commitment to fiscal responsibility, our commitment to the other issues that we have all said are important not only to us, but to the country. I hope, in a bipartisan way, our judgment in the future will reflect those commitments more accurately than the one we have just made today.

I yield the floor.

MORNING BUSINESS

A PROCEDURAL TRAVESTY

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, just a couple words. The fact is, Mr. President—and I speak advisedly—this is a travesty; it is a travesty economically and, more than that, a travesty procedurally with respect to the Senate. I speak as having served on the Budget Committee since its institution—and as having been its chairman—and I have never seen such a gross abuse of the process.

Specifically, Mr. President, in 1993, which has been compared by the present chairman of the Budget Committee to the action just recently on the floor, in 1993, President Clinton presented his budget. We had hearings on that budget, and we had a markup within the Budget Committee under the rules. There were some 30 votes—and 1 more vote for final passage. Thereafter, when we brought it to the floor of the Senate, we had an additional 52 votes on amendments. Compare this with the majority leader's bragging now about 54 votes—like that was really a task.

The truth of the matter is we didn't get to reconciliation until August. At that particular time, they were really gloating with glee at the passage of the bill and reconciliation, stating that when we increased taxes on Social Security, they were going to hunt us down in the street like dogs and shoot us. They said, when we passed that bill, it was going to cause a depression. The distinguished chairman of the Finance Committee, Senator Packwood, said if this procedure worked back in 1993, which we voted for without a single Republican vote either in the House or in the Senate, that he would give us his home downtown here in the District. And Congressman Kasich, later chairman of the Budget Committee on the House side said, if this thing worked, he would change parties. I want to be a good memory.

I will never forget a conversation once with Bernie Baruch, when he talked about President Truman. He said Truman had a good memory, but he said he had a good, bad memory. That crowd over there has a good, bad memory for the simple reason that they know it is an abuse. They rammed it. Instead of the President presenting

a budget, we in the Budget Committee went through make-work hearings—just blather. They could not hear on the President's budget because the President would not submit it.

Of course, when we debated the so-called budget on the floor of the Senate, it was merely a tax cut. It wasn't a budget. The President had yet to submit his budget. It had not been submitted when they voted on it in the House; it had not been submitted when they voted on it in the Senate.

Then, of all things, we did get appointed to the conference committee—only to be told: Get out, we are not going to confer. So we got out.

Then, of all things, they abused the reconciliation process, bringing the tax bill to the floor—not to reconcile, not to lower the deficit, as was intended—and I know because I helped write it—the reconciliation process was used as an abuse to ram it. I know of one Parliamentarian who said it could not be used that way, and then I know of that same Parliamentarian who changed his mind. Oh, yes. Anything to go along and ram it through and give us the bum's rush, and then have the unmitigated gall to call us bums. They have been putting it out that we are just delaying and delaying. But we're not delaying. This is our first opportunity on this bill to financially discuss education, housing, defense, which are all important matters; we are trying to get some break in this bum's rush from leadership.

When I turned on the Republican Policy Committee's channel, channel 2, they said, "Votes will continue ad nauseam." The votes were just nauseous. I have never seen such arrogance. I have been here 34 years, and it is the worst that we have ever experienced. I can tell you that.

But, more importantly, Mr. President, this is a travesty economically. Of course, they make no bones about it. When we did increase Social Security taxes, they complained, but you don't find a decrease of Social Security taxes now. When we increased the gasoline tax, they complained, but you don't find a decrease of the gasoline tax now.

You do not find anything in this bill for working Americans only paying payroll taxes. Instead, they are indirectly increasing the burden on these people by giving everyone but them relief and taking away Government resources.

We approached the budget process in 1993 in a very deliberate fashion. We said: Look at these rising deficits in the national debt and the interest costs on the debt. In 1992, President Bush ran a \$403.6 billion deficit. Ergo, the Government was spending over \$400 billion more than it was taking in, and, yes, we are for tax cuts.

I have been in politics for a long time, and I have not found a politician

yet who was not for tax cuts. But we said the way to give a better tax cut was to lower these long-term interest payments. Alan Greenspan can play around with the short-term, but only the fiscal policy of this Senate can change the long term.

In the 1993 package, we downsized the Government by reducing the federal workforce by almost 300,000; we cut spending by \$250 billion; and we increased taxes by slightly less than \$250 billion—and it resulted in the greatest prosperity in the history of the entire Nation for an 8-year period.

The reason why the present President Bush cannot sell tax cuts—he has been to over half of the States in America trying to sell them and giving us the bum's rush—is because the people know, the financial markets know, the bankers know, the automobile salesmen know that government borrowing will explode, and everybody is uptight.

This is not a wonderful thing that has occurred in this Chamber and to be congratulated. Economically, it is a travesty. We did it before in 1981. Yes, we picked up 38 votes today. We only had 11 votes then. We had one Republican, Mack Mathias of Maryland, but we did have, as they call now with even one vote—we had a bipartisan opposition. I say that with tongue in cheek, but that was all, just 11 votes, against so-called Reaganomics which the first President Bush called voodoo. Now, Mr. President, you have voodoo II.

There is no education in the second kick of a mule. That first kick within 4½ years put the economy into the dumps. That is when we had no resources and we were trying to hold on, and we were cutting spending under President Reagan.

I know, yes, during the Reagan administration we increased defense, and I supported those increases. But after eight years of Reagan's domestic cuts and four years of cuts under President Bush, we ran enormous deficits because of the \$750 billion revenue loss from the Reagan tax cut.

Now we are on course for at least a \$1.35 trillion tax cut, but they say after the alternative minimum tax, after the interest costs, that this ought to be in excess of \$2 trillion, compared to \$750 billion.

There it is. We passed the bill and everybody is going to champion it. We have agreed on this side that it will be conferenced and it will go to the President, but let's not have a third kick of the mule, with more of these coming across the deck as if we had the resources.

Look at the public debt to the penny today on the Treasury Web site and you'll see that currently we are running a \$19 billion surplus. However, this tax cut means at least \$10 billion in lost revenues this year—with defense, under Secretary Rumsfeld, ask-

ing for an additional \$10 billion, and agriculture, \$10 billion. Then, June comes and we make the big interest payments to the trust funds, the likes of \$79 billion. Instead of bringing Government back down to the black, like under the Democrats with President Clinton for 8 years, we are now starting back up today with this vote. Somewhere in the CONGRESSIONAL RECORD there ought to be registered that what we have done, in essence, is increased taxes and not lowered them because we are going to increase the debt and we are going to increase the interest costs, already at \$366 billion, which are taxes for nothing.

If I pay a gas tax, I get a highway. If I pay a sales tax, I get a schoolhouse. If I pay interest taxes, just profligacy, absolute waste.

I will never forget last year when President Clinton was giving his State of the Union Address, the distinguished majority leader remarked: That man is costing us a billion dollars a minute. He talked for an hour-and-a-half. That was \$90 billion.

President Bush wants to cut taxes \$90 billion a year. We can pay for the Clinton and the Bush programs, \$180 billion, and still have \$186 billion left over to increase defense, to increase research at the National Institutes of Health.

We are spending the money, and no one is talking about it. We are not getting anything for it.

In 1968-1969, when we balanced the budget last under President Lyndon Johnson, the interest cost was only \$16 billion. We have increased the interest costs without the cost of a war incidentally—\$350 billion a year. We cannot afford it.

When the Budget Committee meets, first, before we tackle defense and anything else in the budget, we have to immediately spend \$366 billion. The economy is cool, people are not going to be able to save enough money to send their kids to college, they are not going to make their house payments, and we in the Government are thinking that what we have done is really good—the Government is too big, the money belongs to the people and all that childish gibber.

Come on. What we have done has, by gosh, sidelined the people and sidelined this Government and, in essence, politically bought the vote. I do not know where my friend Senator MCCAIN is, but he ought to hasten to the Chamber because the biggest campaign finance abuse has just been voted through the Senate. The majority has bought the people's vote because they would not go back home and explain to the people what is going on here. They went along with the singsong—the money belongs to the people, surplus, surplus, surplus.

We cannot find a surplus. We have not had one in 40 years, and we will not have one this year, and if anybody be-

lieves differently, tell them to come see me and we will make the bet and give them the odds. I yield the floor.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Florida.

THE RELIEF ACT

Mr. GRAHAM. I thank the Chair.

Mr. President, I voted no on the tax bill that passed the Senate. I recognize there are some positive provisions in that legislation. I will speak to two of them. One was in the area of education. There were a number of features which will make it easier for families to send their children to college, the provisions which will make it easier for local school districts to finance the construction of new and to rehabilitate older school buildings. Those are positive features. I also had supported the provisions that dealt with estate tax reform by raising the level of the exemption; that is, the amount of dollars one can exclude before a person calculates the estate tax obligations. By raising those exemptions, we have substantially diminished the number of Americans who will pay any estate tax.

On the whole, I found much more that was disturbing, much more that I considered to be a failure of vision, than I found to be worthy in this legislation. I hope I am wrong. I hope the comments I am going to make prove to be inaccurate in the history we will write in the aftermath of this legislation. Frankly, my experience leads me to doubt that I will be wrong.

I believe in life we are constantly forced to make choices. Those in politics like to avoid making choices. We are very good at telling people what we think they want to hear, even if the cumulative effect of all the things we have told the people we want is incompatible.

For instance, most Members have told the people we want to strengthen Social Security. Most Members have told the people we want to strengthen, reform, and add a prescription drug benefit to Medicare. The fact is, I believe what we have just done is going to make it impossible to deliver on either of those commitments. I hope I am wrong, but I doubt it.

I believe while what we say is not necessarily a true reflection of our choices, how we spend our money is a true reflection of how we will make our choices. I believe there was a metaphor earlier this morning. We had before the Senate legislation that would have provided substantial assistance to individual Americans and American families in dealing with the reality of the aging of our population. One of the lessons of many that we learned from the 2000 census is that America is getting older. I know that well from my own State where almost 19 percent of our population is over the age of 65 and